STAND. COM. REP. NO. 1173

Honolulu, Hawaii

APR 0 1 2015

RE: S.C.R. No. 77

Honorable Donna Mercado Kim President of the Senate Twenty-Eighth State Legislature Regular Session of 2015 State of Hawaii

Madam:

Your Committee on Economic Development and Technology, to which was referred S.C.R. No. 77 entitled:

"SENATE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM TO PRIORITIZE THE DEVELOPMENT OF KAPOLEI INTO A JOB CENTER IN SUPPORT OF THE STATE AND THE CITY AND COUNTY OF HONOLULU'S POLICIES TO DEVELOP KAPOLEI INTO OAHU'S "SECONDARY URBAN CENTER","

begs leave to report as follows:

The purpose and intent of this measure is to request the Department of Business, Economic Development, and Tourism to prioritize the development of Kapolei into a job center in support of the State and the City and County of Honolulu's policies to develop Kapolei into Oahu's "secondary urban center".

Your Committee received testimony in support of this measure from the Office of Planning, Avalon Development, MK Kapolei Commons LLC, West Oahu Economic Development Association, and two individuals. Your Committee received comments on this measure from the Department of Business, Economic Development, and Tourism.

Your Committee recognizes there is potential for significant economic growth in Kapolei and further recognizes that the Department of Business, Economic Development, and Tourism is the appropriate entity to promote the development of Kapolei as the "second city". This development is necessary to ensure islandwide quality residential life and economic sustainability.

Specifically, your Committee notes the long-standing and widely expressed dissatisfaction of Oahu residents regarding daily commutes in Honolulu, including heavy traffic congestion. Successful resolution of these issues is possible through proactive state efforts to expand and diversify job opportunities, housing options, and overall urban life in the "second city".

Your Committee further notes that there are significant opportunities to expand employment opportunities in Kapolei, such as the potential for three thousand new jobs in the Kapolei Shopping Center. Further, there are existing residential housing structures available for development and immediate use. Additionally, the State owns valuable and extensive acreage in proximity to the University of Hawaii West Oahu rail transit station. Accordingly, there is a significant foundation in place for this development project.

However, your Committee is troubled by the ongoing lack of progress that the Department has made on the development of Kapolei, with the exception of the occasional capital improvement project. The Office of Planning, which is administratively attached to the Department of Business, Economic Development, and Tourism has taken the lead on this two-decade-long initiative. Your Committee notes that there have been administrative processes set up by the Office of Planning; however, there is a noticeable absence of viable plans or proposals to further the development of Kapolei. This measure supports the prioritization of the development of Kapolei into a job center within the City and County of Honolulu.

As affirmed by the record of votes of the members of your Committee on Economic Development and Technology that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 77 and recommends that it be referred to the Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committee on Economic Development and Technology,

GLENN WAKAI, Shair

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The Senate Twenty-Eighth Legislature State of Hawai'i

Record of Votes Committee on Economic Development and Technology EDT

Bill / Resolution No.:* Committee	Referral: WAL	Da	te: 3/70	115
The Committee is reconsidering its previous decision on this measure.				
If so, then the previous decision was to:				
The Recommendation is:				
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313				
Members	Aye _	Aye (WR)	Nay	Excused
WAKAI, Glenn (C)	/			
SLOM, Sam (VC)				
BAKER, Rosalyn H.				
CHUN OAKLAND, Suzanne				
DELA CRUZ, Donovan M.	V			
ESPERO, Will		1		
HARIMOTO, Breene				
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TOTAL	6		0	
Recommendation:	<u> </u>	7	- / -	<u> </u>
Adopted Not Adopted				
Chair's or Designee's Signature:				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerks Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes